

CLAIMS

WHAT IS CLAIMED IS:

1. A data processing method for converting loyalty points stored in a participant's loyalty account, wherein said loyalty account is associated with said participant within at least one loyalty program database system, comprising the computer-implemented steps of:
 - 5 communicating with said participant using a computerized user interface system that is configured for exchanging information over a computerized network;
 - 10 retrieving information from said loyalty program database, including an amount of said loyalty points accumulated by said participant;
 - 15 converting said amount of loyalty points to a currency value using a computerized conversion processor; and
 - 20 applying said currency value as a credit to a second account, wherein said second account is stored on a second database system.
2. The method of claim 1, wherein said second account is a participant's financial transaction account.
3. The method of claim 1, wherein said second account is at least one of the following:
 - 25 a third-party's financial transaction account;
 - 30 a stored value account;
 - an online digital wallet account.
4. The method of claim 1, wherein said credit is applied to any one of the following:
 - 35 a gift product;
 - 40 a secondary transaction number.
5. A computer-implemented method for using loyalty points over a computerized network, comprising the steps of:
 - 45 communicating with a loyalty program participant over a computerized network using a computerized user interface system;
 - 50 retrieving information, including an amount of participant's loyalty points, from a participant's loyalty account, wherein said loyalty account is associated with said participant within at least one loyalty program database system; and

converting said loyalty points to a currency value using a computerized conversion processor and applying said currency value as a credit to a second account.

6. The computer-implemented method of claim 5, wherein said second account is a participant's financial transaction account.

5 7. The computer-implemented method of claim 5, wherein said second account is any one of the following:

- a third-party's financial transaction account;
- a stored value account;
- an online digital wallet account.

10 8. The computer-implemented method of claim 5, wherein said credit is applied to any one of the following:

- a gift product;
- a secondary transaction number.

9. The computer-implemented method of claim 5, wherein said communication with said 15 participant is over a wire-based network.

10. The computer-implemented method of claim 5, wherein said communication with said participant occurs over a wireless network.

11. The computer-implemented method of claim 5, further comprising the steps of:

registering said participant to use a loyalty program, wherein said loyalty program comprises said at least one loyalty program database system;

establishing said loyalty account for said participant, wherein said loyalty account information is stored within said at least one loyalty program database system; and

authenticating said participant to use said loyalty program.

12. The computer-implemented method of claim 5, wherein said loyalty account is part of a 25 loyalty program operated by a third party.

13. The computer-implemented method of claim 6, further comprising the steps of:

integrating a computerized shopping network to facilitate a transaction between said participant and at least one merchant, wherein said shopping network is configured to offer for sale to said participant, over said computerized network, a variety of products or services; and

30 receiving, from said participant, a request to use said loyalty points to facilitate said transaction with said at least one merchant.

14. The computer-implemented method of claim 13, further comprising the steps of:
receiving transaction details relating to said transaction, said transaction details
comprising at least an amount of said transaction; and

5 receiving, from said participant, information relating to said financial transaction account
to be used to complete said transaction, said financial transaction account information
comprising at least an account number identifying said financial transaction account.

15. The computer-implemented method of claim 14, further comprising the steps of:

invoking a computerized process to verify that said loyalty account has sufficient loyalty
points to cover the amount of said transaction;

10 invoking a computerized process to verify that said financial transaction account has a
sufficient credit limit to cover the amount of said transaction; and

approving said transaction if said loyalty points and said credit limit are sufficient;
whereupon a confirmation of said transaction is sent to said participant.

15. The computer-implemented method of claim 14, further comprising the step of:

invoking a computerized process to verify that the combined available balance of said
loyalty account and said transaction account covers the amount of said transaction; whereupon, if
said combined available balance is sufficient, said transaction is approved and said participant is
returned with a message confirming said transaction.

17. The computer-implemented method of claim 14, comprising the further step of posting a
charge associated with said transaction to said financial transaction account.

20 18. The computer-implemented method of claim 17, comprising the additional step of
generating a participant's billing statement for said financial transaction account reflecting said
posted charge and said applied credit.

19. A data processing and host server system, including at least one application program and
25 a plurality of databases, configured to facilitate the conversion of loyalty points stored in a
participant's loyalty account, wherein said loyalty account is associated with said participant
within at least one loyalty program database system, comprising:

a computerized account manager user interface system configured to accept
communication from a loyalty program participant over a computerized network;

30 a computerized account manager loyalty system middleware coupled to said
computerized user interface system configured to interface with at least a loyalty program

database system to access and retrieve information, including accumulated loyalty points, from a participant's loyalty account; and

5 a computerized account manager conversion processor configured to convert said loyalty points to a currency value and to facilitate the application of said currency value as a credit to a second account, wherein said second account is stored on a second database system.

20. The system of claim 19, further comprising:

a computerized interface between said account manager user interface system and a third party shopping network, wherein said third party shopping network facilitates a value transaction between merchants and said participants.

10 21. The system of claim 19, further comprising:

a computerized shopping network configured to interface with said participant and at least one merchant to facilitate a value transaction, wherein said shopping network is programmed to:

(1) offer products for sale to said participant;

15 (2) provide said participant with an option to convert loyalty points to said currency value credit to offset the purchase of a product;

(3) process a participant's request to purchase said product using said converted loyalty points,

20 (4) receive participant's designated financial transaction account to be used to facilitate said transaction.

(5) transmit transaction details to said computerized loyalty system middleware to facilitate said value transaction using said converted loyalty points.

22. The system of claim 21, wherein said middleware is further configured to interface with a financial transaction system to post a transaction charge to said designated financial transaction account and to post said applied credit to said designated financial transaction account.

25 23. A computerized method for converting loyalty points to a currency credit to facilitate a transaction while shopping online, comprising the steps of:

presenting a searchable online catalog of products or services to a loyalty program participant;

30 receiving participant's selection of at least one product to purchase from said online catalog, wherein said participant chooses to pay with loyalty points;

retrieving loyalty point information from participant's loyalty account;
invoking a conversion processor to calculate the number of said loyalty points necessary
to make the purchase;

5 confirming that said participant has sufficient loyalty points to complete the purchase;
retrieving information from a participant's financial transaction account;
converting said loyalty points to a currency credit; and
posting said currency credit to said financial transaction account.

24. A computer-implemented method for using loyalty points, comprising the steps of:
interfacing with a loyalty program participant through a user interface system, comprising
10 the further steps of:

(1) authenticating said participant to verify that said participant is authorized to
use a loyalty program and to identify participant's loyalty account;

(2) receiving from said participant, a request to use loyalty points to facilitate a
transaction and information identifying a participant's financial transaction account

15 retrieving from said loyalty account, information which includes at least the number of
loyalty points available;

invoking a conversion processor to convert a designated amount of loyalty points to a
currency credit;

posting said currency credit to said participant's financial transaction account; and

debiting said designated amount of loyalty points from said loyalty account.

20 25. The method of claim 24, wherein said interfacing step occurs online.

26. The method of claim 24, wherein said interfacing step occurs using a wireless-enabled
communication device.

27. The method of claim 24, further comprising the step of configuring a user interface
25 system to facilitate said transaction with a shopping network.

28. The method of claim 24, wherein the conversion processor invokes a pre-defined
conversion ratio depending on a merchant or a participant status.

29. The method of claim 24, further comprising the steps of:
receiving transaction details relating to said transaction; and

30 comparing said transaction details to said loyalty account information and said financial
transaction account to determine if transaction is authorized.

30. A method of claim 29, wherein said transaction details are received from a merchant.

31. A method of claim 24, wherein said transaction details are received from said participant.

32. A method of claim 24, wherein said transaction involves the gifting or donation of a gift product.

5 33. A computer-implemented method for facilitating a transaction using loyalty points, comprising the steps of:

registering with an account manager to participate in a loyalty program;

providing authenticating information to an account manager in order to cause said account manager to verify that a participant is authorized to access said loyalty program;

10 selecting to redeem loyalty points associated with a loyalty account to facilitate a transaction, wherein said selection causes said loyalty points to be retrieved from said loyalty account and converted to a currency credit, whereupon said loyalty points are deducted from said loyalty account balance;

34. A method of claim 33, wherein at least one of the steps occur online.

15 35. A method of claim 33, wherein at least one of the steps are facilitated with a wireless-enabled communication device.

36. A method of claim 34, further comprising the steps of:

browsing a merchant's online web site for merchandise;

selecting a product to purchase using loyalty points by selecting an appropriate icon;

20 designating a participant's financial transaction account to be associated with said loyalty program, wherein said currency credit is posted to said financial transaction account.

37. A method for facilitating a transaction using loyalty points associated with a secondary transaction number, comprising the steps of:

registering a participant to participate in a loyalty program;

25 establishing a loyalty account associated with said participant;

receiving a request from said participant to use loyalty points from said loyalty account to facilitate a transaction using a secondary transaction number;

retrieving loyalty account information associated with said participant;

30 invoking a conversion processor to convert said loyalty points to a currency credit;

generating a secondary transaction number with a credit limit of up to said currency credit; wherein said secondary transaction number is configured in the same format as existing

transaction charge cards so as to be accepted by existing transaction card authorization and settlement processing systems;

providing said secondary transaction number to said participant for use in facilitating said transaction; and

5 updating said loyalty account by reducing balance by the amount of said converted loyalty points.

38. An account manager system for facilitating a transaction within a shopping network using loyalty points, comprising:

10 at least one user interface system configured to facilitate communication with a shopping network and loyalty program participants, said shopping network comprising at least one merchant, wherein said shopping network is configured to provide to said participants a catalog of goods and services offered by said at least one merchant and operative to permit said participants to select goods and services from said catalog and to submit a request to obtain said goods and services in exchange for loyalty points;

15 a loyalty program system comprising at least a first computerized database system for managing loyalty program accounts;

a financial transaction account system comprising at least a second computerized database system for managing financial transaction accounts;

20 a conversion system for converting loyalty points to a currency value credit; and

a loyalty program middleware system configured to invoke said conversion system, to receive transaction details from said at least one user interface system, and to facilitate the exchange of account data between said loyalty program accounts and said financial transaction accounts.

39. The system of claim 38, the financial transaction account system further comprising:

25 a financial capture system configured to capture and process transaction details;

an accounts receivable system configured to post transaction card charges and loyalty point credits to said transaction card accounts.

40. The system of claim 38, the transaction card system further comprising:

30 a charge authorization system configured to compare said transaction details with participants' transaction card accounts and participants' loyalty program accounts, wherein said

charge authorization system verifies that participants' have sufficient loyalty points and credit limit.

41. The system of claim 38, the conversion system further comprising:

5 at least a third computerized database system of conversion ratios, wherein said conversion ratios vary according to merchant or participant status;

a conversion processor for converting loyalty points to loyalty currency credit using said conversion ratio that is appropriate for the particular participant or merchant.